DOCUMENT RESUME

ED 462 496 UD 034 776

AUTHOR Fix, Michael; Passel, Jeffrey
TITLE The Scope and Impact of Welfare Reform's Immigrant Provisions. Discussion Papers. Assessing the New Federalism: An Urban Institute Program To Assess Changing Social Policies.
INSTITUTION Urban Inst., Washington, DC.
SPONS AGENCY Robert Wood Johnson Foundation, Princeton, NJ.; Henry J. Kaiser Family Foundation, Menlo Park, CA.; Ford Foundation, New York, NY.; David and Lucile Packard Foundation, Los Altos, CA.; John D. and Catherine T. MacArthur Foundation, Chicago, IL.; Mott (C.S.) Foundation, Flint, MI.; McKnight Foundation, Minneapolis, MN.; Commonwealth Fund, New York, NY.; Weingart Foundation, Los Angeles, CA.; Fund for New Jersey, East Orange.; Lynde and Harry Bradley Foundation, Milwaukee, WI.; Joyce Foundation, Chicago, IL.; Rockefeller Foundation, New York, NY.; Annie E. Casey Foundation, Baltimore, MD.; Kellogg Foundation, Battle Creek, MI.
REPORT NO UI-DP-02-03
PUB DATE 2002-01-00
NOTE 49p.; Also funded by The Stuart Foundation.
AVAILABLE FROM Urban Institute, 2100 M Street, NW. 5th Floor, Washington, DC 20037. Tel: 202-833-7200; Fax: 202-728-0232. For full text: http://newfederalism.urban.org/pdf/discussion02-03.pdf.
PUB TYPE Reports - Descriptive (141)
EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Family Income; Health Insurance; *Immigrants; Low Income Groups; Refugees; *Welfare Recipients; *Welfare Reform; *Welfare Services
IDENTIFIERS Medicaid; *Personal Responsibility and Work Opp Recon Act

ABSTRACT

This paper discusses the background and character of changes introduced by the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), examining post enactment responses by Congress, the states, and the courts. It explores the impact of the law on benefit use among immigrants, highlighting changes in usage among different immigrant groups and factors related to these changes, such as naturalization and rising incomes. For immigrants, the law set out a comprehensive scheme for determining immigrant eligibility for a wide range of social benefits provided by governments at all levels. Data from the 1995 through 2000 Current Population Survey indicated that PRWORA reduced immigrants' overall use of all major public benefits, and decreases in use were greater for non-citizens than citizens. Low-income immigrant families with children had lower use rates for Temporary Assistance for Needy Families and food stamps than did their low-income citizen counterparts. Low-income, working age non-citizens had substantially larger declines in Medicaid use than their citizen counterparts. Declines in immigrants' use of benefits were evident nationwide. The declining benefit use was not accounted for by increased naturalizations or rising incomes within immigrant families. (Contains 23 references.) (SM)

Reproductions supplied by EDRS are the best that can be made
from the original document.

ED 462 496

Discussion Papers

The Scope and Impact of Welfare Reform's Immigrant Provisions

Michael Fix
Jeffrey Passel
02-03

January
2002

Assessing the New Federalism

An Urban Institute Program to Assess Changing Social Policies

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☑ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL HAS BEEN GRANTED BY

S Brown
The Urban Institute

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

1

BEST COPY AVAILABLE

2

UD034776

Assessing the New Federalism is a multi-year Urban Institute project designed to analyze the devolution of responsibility for social programs from the federal government to the states. It focuses primarily on health care, income security, employment and training programs, and social services. Researchers monitor program changes and fiscal developments. Alan Weil is the project director. In collaboration with Child Trends, the project studies changes in family well-being. The project provides timely, nonpartisan information to inform public debate and to help state and local decisionmakers carry out their new responsibilities more effectively.

Key components of the project include a household survey, studies of policies in 13 states, and a database with information on all states and the District of Columbia. Publications and database are available free of charge on the Urban Institute=s Web site: http://www.urban.org. This paper is one in a series of discussion papers analyzing information from these and other sources.

The project has received funding from The Annie E. Casey Foundation, the W.K. Kellogg Foundation, The Robert Wood Johnson Foundation, The Henry J. Kaiser Family Foundation, The Ford Foundation, The John D. and Catherine T. MacArthur Foundation, the Charles Stewart Mott Foundation, The David and Lucile Packard Foundation, The McKnight Foundation, The Commonwealth Fund, the Stuart Foundation, the Weingart Foundation, The Fund for New Jersey, The Lynde and Harry Bradley Foundation, the Joyce Foundation, and The Rockefeller Foundation.

The nonpartisan Urban Institute publishes studies, reports, and books on timely topics worthy of public consideration. The views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, its funders, or other authors in the series..

The authors would like to thank Kenneth Finegold and Alan Weil for helpful comments.

Publisher: The Urban Institute, 2100 M Street, N.W., Washington, D.C. 20037
Copyright © 2002. Permission is granted for reproduction of this document, with attribution to the Urban Institute.

THE SCOPE AND IMPACT OF WELFARE REFORM'S IMMIGRANT PROVISIONS

by

Michael Fix and Jeffrey S. Passel

TABLE OF CONTENTS

INTRODUCTION **1**
- Summary 1
- Background 3

PRWORA'S IMMIGRANT PROVISIONS: A BRIEF OVERVIEW **5**
- Comprehensive Revision of Immigrant Eligibility 5
- Differing Goals for Immigrants 5
- Eligible Immigrant Populations 6
- Sponsorship 7
- Shift in Responsibility to the States 8

MAJOR CHANGES SINCE ENACTMENT **9**
- Congressional Restorations 9
- Administrative Responses 9
- The States' Responses 10
- The Courts' Responses 11

PRWORA'S IMPACT ON IMMIGRANT BENEFIT USE **12**
- Early Evidence — "Chilling" Effects 12
- New Analyses of Immigrant Program Participation 13
  - *Overall Declines* *14*
  - *Low-Income Families with Children* *16*
  - *Mixed Status Families* *17*
  - *Refugees* *18*
  - *Change in TANF Caseloads and the Recipient Population* *19*
  - *Medicaid Use and Health Insurance* *22*
  - *State Level Changes* *26*
- Explaining the Trends in Immigrant Program Participation 28
  - *Naturalization Rates and Benefits Use* *29*
  - *Income Changes* *31*
  - *Citizen-LPR Differences in Program Participation* *33*

CONSIDERING REFORM **34**

REFERENCES **39**

FIGURES

1. Participation in Means-Tested Benefit Programs for Legal Permanent Resident Alien Families: 1994 and 1999 15

2. Participation in Means-Tested Benefit Programs for Low-Income Legal Permanent Resident Alien Families with Children: 1994 and 1999 16

3. Participation in Means-Tested Benefit Programs for Low-Income Legal Permanent Resident Alien and Citizen Families with Children: 1994 and 1999 17

4. Participation in Means-Tested Benefit Programs for Low-Income Families with Children: Refugee Aliens — 1994 and 1999; Citizens and LPR Aliens — 1999 19

5. Participation in Medicaid for Low-Income Working-Age Adults (18-64), by Nativity and Legal Status: 1994 and 1999 23

6. Participation in Medicaid for Low-Income Children (under 18), by Nativity and Status of Parents and Children: 1994 and 1999 25

7. Health Insurance Coverage for Low-Income Children (under 18), by Status of Parents and Children: 1999 26

8. Participation in TANF for Low-Income Legal Permanent Resident Alien Families with Children: U.S., California, and Selected Groups of States, 1994 and 1999 27

TABLES

1. Number of Families and Families Receiving TANF, by Citizenship of Head and Spouse: 1994 and 1999 41

2. Partition of 1994-1999 Change in Use of Welfare, Food Stamps, and Medicaid into Effects of Poverty-Family-Specific Use Rates, Poverty Distribution, and Presence of Children Distribution, Using Standardization Techniques for Families in the United States, by Nativity and Status 42

3. Partition of Citizen-LPR Difference in Use of Welfare, Food Stamps, and Medicaid into Effects of Poverty-Family-Specific Use Rates, Poverty Distribution, and Presence of Children Distribution, Using Standardization Techniques for Families in the United States: 1994, 1999 44

THE SCOPE AND IMPACT OF WELFARE REFORM'S IMMIGRANT PROVISIONS

by

Michael Fix and Jeffrey S. Passel

INTRODUCTION

The 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) not only overhauled the nation's welfare system, it redefined immigrants' access to public benefits. Indeed the law's immigrant provisions — to which an entire title is dedicated (Title IV) — can be viewed as a watershed in the related domains of immigrant integration and immigration policy, as well as the federalism issues the new provisions raise.[1]

In this paper, we discuss the background and character of the changes introduced by this comprehensive, far-reaching law and then sketch the post-enactment responses of the Congress, the states, and the courts. We further explore the impacts that the law has had on benefit use among immigrants, highlighting the changes in usage among different immigrant groups and factors related to these changes, such as naturalization and rising incomes. We conclude by discussing a number of issues that may be examined within the context of welfare reauthorization.

Summary

For immigrants, welfare reform went well beyond conditioning access to cash benefits on work. Rather, the law set out a comprehensive scheme for determining immigrant eligibility for a wide range of social benefits that are provided by governments at all levels. Reform

[1] The law's impacts on immigrants and their families are not confined to Title IV. PRWORA's restructuring of TANF, the imposition of time limits, new incentives to work, and the many other changes introduced affect low-income immigrant families eligible to receive benefits.

represented a major departure from prior policy by making citizenship more central to the receipt of benefits, by granting the states rather than the federal government the power to determine immigrant eligibility for benefits, and by drawing a sharp distinction between immigrants arriving before and after PRWORA's enactment on August 22, 1996.

Our recently completed analysis of the 1995 and 2000 Current Population Surveys (CPS) reveals a number of striking trends in immigrants' use of public benefits:

- There were substantial declines between 1994 and 1999 in legal immigrants' use of all major benefit programs: TANF (-60 percent), food stamps (-48 percent), SSI (-32 percent), and Medicaid (-15 percent).
- By 1999, low-income legal immigrant families with children had lower use rates for TANF and food stamps than their low-income citizen counterparts. Medicaid use rates for these *families* did not vary by citizenship, testifying, perhaps, to the success of policies intended to broaden the health insurance coverage among children.
- Nonetheless, *individual*-level analyses reveal that low-income, working-age noncitizens had substantially larger declines in Medicaid use rates than their citizen counterparts. Loss of Medicaid is not being made up by other forms of health coverage, but rather is resulting in a total loss of health insurance.
- Benefit use rates among U.S. citizen children in low-income immigrant families (i.e., in poor mixed-status families) were substantially lower than for citizen children of native parents in poor families.
- Declines in benefit participation were especially steep among low-income refugee families whose use rates for TANF, food stamps, and Medicaid were comparable to citizens by 1999.
- Declines in immigrants' use of benefits are evident across all areas of the country. They are especially steep among poor families living in states that make few benefits available to immigrants, but which have rapidly rising immigrant populations.
- In general, the declining benefit use occurring between 1994 and 1999 was *not* accounted for by increased naturalizations or by rising incomes within immigrant families.

Despite reduced use of public benefits, half of immigrant families were poor in 1999; poor legal immigrants were far more likely to be uninsured than their citizen counterparts; and immigrant children were more likely to be food insecure than children of citizens (Capps 2001).

With a recession descending and welfare reform reauthorization looming, these precipitous declines in the face of continuing high poverty rates raise important questions. As this is written, some participants in the reauthorization debate, concerned that that the reforms went too far, have proposed restoring food-stamp eligibility to legal immigrants and granting states the authority to extend Medicaid and the State Children's Health Insurance Program (SCHIP) to some post-enactment immigrants. These measures would grant non-cash aid to many families and place immigrants arriving before and after welfare reform on a more equal footing. Proposed restorations raise issues regarding the extent of sponsors' responsibility for immigrants, welfare reform's impact on successfully integrating immigrant residents into the broader society, substantially altered incentives to naturalize, equitable intergovernmental cost sharing, and the limits to delegating federal immigration control powers to the states, especially in an era of global competition.

Background

At the time of welfare reform's passage, some researchers contended that the availability of public benefits was increasingly influencing immigrants' migration decisions, explaining in part a perceived decline in the quality of new immigrants — that is, their education, incomes, and propensity to use benefits (Borjas and Hilton 1995). In fact, the power of the so-called "welfare magnet," the perceived decline in the quality of immigrants, and even the disproportionately high use of benefits among noncitizen populations were all heavily contested in the literature (Duleep and Regets 1994; Fix and Passel 1994; Van Hook, Glick, and Bean 1999). Nonetheless, the influence of this linkage of welfare to immigration flows can be seen in

PRWORA's departing premise that "self-sufficiency has been a basic principle of United States *immigration* policies"[2] (emphasis added).

While often associated with fiscally conservative Republicans, political interest in restricting immigrants' access to welfare evolved in a bipartisan manner through the mid-1990s. Initial proposals limiting noncitizens' access to SSI[3] and, eventually, to other public benefits originated in the Democratically-controlled House of Representatives and the Clinton Administration. In due course, more far-reaching restrictions were written into The Contract With America (Gingrich and Armey 1994), the policy blueprint for the Republican Congress elected in 1994. Finally, the redefinition of immigrants' rights to benefits that was eventually codified in Title IV of PRWORA, was drafted by a Republican Congress and signed into law on August 22, 1996 by a somewhat uneasy President Clinton who, despite his intent on "ending welfare as we know it," expressed reservations about the bill's immigrant provisions.

The political context within which PRWORA's immigrant restrictions were created should also be recalled. The law was enacted during a period of anti-immigrant sentiment, one that witnessed the enactment of two broad laws — The 1996 Antiterrorism and Effective Death Penalty Act[4] and the Illegal Immigration Reform and Immigrant Responsibility Act of 1996[5] — that, among other things, limited noncitizens' rights of residence and judicial appeal as well as the ability of undocumented immigrants to adjust to legal status.

---

[2] 8 U.S.C. Section 1601(1) (Supp. V 1999).

[3] The proposal was to extend the deeming period during which a sponsor's income is ascribed to the immigrant from 3 to 5 years.

[4] Pub.L. 104-132 (1996).

[5] Pub.L. 104-208 (1996).

PRWORA's Immigrant Provisions: A Brief Overview

Comprehensive Revision of Immigrant Eligibility

For immigrants, PRWORA represented more than a simple regulation of access to cash benefit programs. Rather, the law's immigrant provisions were a comprehensive revision of the nation's laws governing access by legal immigrants, refugees, and illegal immigrants to virtually all federal, state, and local benefits for which eligibility is in some ways restricted. In this respect, the law departed from the piecemeal, program-by-program establishment of immigrant eligibility that had been typical in the past.

Differing Goals for Immigrants

The law's immigrant provisions were driven by a somewhat different logic than the rest of PRWORA. That is, there was little imperative to discourage out-of-wedlock births and to encourage able-bodied adults to work. After all, low-income immigrants were more likely to live in intact families and to be employed than natives.[9] Rather, PRWORA's immigrant restrictions incorporated other goals. One, alluded to above, was to alter immigration flows by discouraging immigrants likely to seek public benefits from entering the United States. A second was to shift responsibility for the support of immigrants away from the government and onto newcomers' sponsors. A third powerful goal was to realize a large, new stream of cost savings. Altogether, the Congressional Budget Office estimated that the immigrant restrictions would generate roughly 40 percent of welfare reform's overall savings of $54 billion — despite the fact that in 1996 immigrants represented only 15 percent of all welfare recipients in the United States. (Congressional Budget Office 1997)

---

[9] Among immigrants, 65 percent of low-income families with children were two-parent families in the 1996 CPS versus only 40 percent among natives. About 80 percent of working-age immigrant males in low-income families were in the labor force versus less than 70 percent for the corresponding group of natives.

Eligible Immigrant Populations

Prior to welfare reform, legal immigrants living in the United States were eligible for public benefits on more or less the same terms as citizens. Following reform, eligibility for federal means-tested public benefits depends more on citizenship than in the past. By rationing access to benefits in this way, the law elevates the importance of citizenship for societal membership in a manner that is unusual by international standards (Fix and Laglagaron 2001).

PRWORA's comprehensive redefinition of immigrant eligibility for benefits involved the creation of three separate "bright lines." One divides "qualified" and "unqualified" immigrants. The class of unqualified aliens is composed mostly, but not exclusively, of undocumented immigrants who are eligible only for a small, enumerated set of federal and state benefits.[7] Qualified immigrants, by contrast, are eligible for a wide range of "federal public benefits" with restricted eligibility, including Social Security, Pell Grants for higher education, and the Earned Income Tax Credit.[8]

Title IV drew a second bright line between legal "qualified" immigrants and naturalized citizens. Unlike the more restricted eligibility rules for qualified immigrants, PRWORA allowed naturalized citizens to maintain full access to all noncontributory programs defined as "means-tested federal benefits." These programs include Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), food stamps, Medicaid, and SCHIP.

A third "bright line" was drawn between legal immigrants entering the United States before August 22, 1996 and those entering after. The law granted states the option of extending

---

[7] These include emergency Medicaid, immunizations, diagnosis and treatment of communicable diseases, and the school lunch and breakfast programs.

[8] "Federal public benefits" include any retirement, welfare, health, disability, public or assisted housing, post-secondary education, food assistance, unemployment benefit, or any similar benefits to which payment or

TANF, Medicaid, and SCHIP to the former but not to the latter. Over time, this distinction has meant that tougher restrictions are imposed on the rapidly-growing population of post-enactment immigrants. There are, as of this writing, roughly 3 million post-enactment immigrants in the U.S., representing about one-third of all legal permanent resident (LPR) aliens in the country.

In drawing these lines, PRWORA's comprehensive new scheme of eligibility largely exempted three noncitizen populations with strong equitable claims on benefits: refugees during their first 5 to 7 years in the United States; immigrants with 40 quarters of work history[9]; and noncitizens who had served in the U.S. military.

Sponsorship

PRWORA required for the first time that immigrants' sponsors -- whether legal immigrants or citizens -- have incomes that exceed a minimum level, set at 125 percent of the federal poverty threshold.[10] In addition, the law required that sponsors sign a legally-enforceable affidavit of support, pledging to support the entrant until they naturalize or work 40 quarters. Sponsors remain liable for reimbursing most public benefits used by the immigrant during this period. While roughly similar support requirements were on the books prior to PRWORA, courts had found them legally unenforceable. Sponsors' new income requirements and open-ended support obligations can be viewed as a back door reform of legal immigration intended to keep out the poorest and presumably most welfare-prone of immigrants, thereby reinforcing PRWORA's immigration control thrust.

---

assistance is provided to an individual, household, or family eligibility unit by an agency of the United States by appropriated funds of the United States (Pub. L. 104-193, Section 401c).

[9] Benefit claimants must be able to prove that they, their spouses, or their parents have collectively worked 40 quarters (ten years) in the United States.

[10] The poverty thresholds are defined, in part, on the basis of family size. For assessing the sponsorship criteria, the threshold is based on the numbers of adults and children in the *combined* families of the sponsored immigrant and the sponsor, thus increasing the amount of income required of the sponsor.

Shift in Responsibility to the States

The law's redrawing of immigrant rights involved the devolution of broad new powers to the states. Following reform, states could choose to discriminate against legal immigrants in federal and state benefit programs, a power previously denied them by the courts.[11] At the same time, the law authorized, but did not require, states to offer food, cash, and health-related benefit programs that might substitute for lost federal benefits, benefits that would have to be financed with state dollars. Finally, the law requires that state or local governments providing benefits to undocumented immigrants must pass a law after August 22, 1996, affirmatively establishing their eligibility, a mandate that is proving increasingly significant. This provision has proved to be a powerful tool in limiting undocumented immigrants' access to benefits. The federal government invoked the provision to strike down the State of New York's extension of prenatal care to undocumented mothers[12] and the Texas State Attorney General used it to bar Houston's public hospitals from providing nonemergency services to undocumented immigrants.[13]

Taken together, then, PRWORA's immigrant provisions represent: (1) a comprehensive scheme of reform that goes beyond cash assistance to almost all programs extended by the welfare state; (2) a redefinition of the meaning of citizenship; (3) a sharp expansion in the states' power to determine legal immigrants' eligibility for public benefits; (4) a parallel reduction in states' authority to extend to state-funded benefits to the undocumented; and (5) a redefinition of the requirements for, and obligations of, sponsorship.

---

[11] See, generally, *Graham v. Richardson*, 403 U.S. 365 (1971) holding that state discrimination against legal noncitizens in welfare programs violates equal protection.

[12] *Lewis v. Grinker*, USCA 2d. May 22, 2001. Docket No. 00-6104

[13] See, Office of the Attorney General, State of Texas, Opinion No. JC-0394, July 10, 2001.

MAJOR CHANGES SINCE ENACTMENT

Following welfare reform, Congress, the states, and immigrants themselves actively sought to mitigate some of the law's potential impacts. Nonetheless, many of the law's central provisions remain on the books, with far-reaching effects that may deepen in a recessionary economy.

Congressional Restorations

In 1997, Congress restored SSI and derivative Medicaid benefits to all elderly and disabled immigrants receiving SSI at the time reform was enacted and to all legal immigrants in the U.S. at the date of enactment who might become disabled in the future.[14] Later that year, Congress extended food stamp benefits to legal immigrant children and to elderly and disabled immigrants in the U.S. at the time of PRWORA's signing.[15] However, the food stamp restoration left out working-age adults, who constituted roughly three-quarters of the 935,000 noncitizens who lost benefits. Moreover, neither the food stamp nor SSI restoration bills extended any benefits to the rapidly growing population of post-enactment immigrants, thereby deepening the divide between the legal endowments of pre- and post-enactment immigrants.

Administrative Responses

In 1999, the federal government released guidance that clarified for the first time the implication of noncitizen use of public benefits for becoming a public charge, i.e., an immigrant who has become dependent on public benefits and is therefore ineligible to receive a green card. The guidance established that public charge issues would apply to applicants for green cards, not

---

[14] The Balanced Budget Act of 1997, Pub. L. No. 105-33.

[15] The Agriculture, Research, Extension and Education Reform Act, P.L. 105-185 (1998).

to applicants for naturalization. The guidance also established that public charge issues would arise primarily in the context of long-term dependence on cash assistance; they would not be tied to receipt of food stamps, Medicaid, or SCHIP. In addition, public charge issues would not arise as a result of benefits use by a green card applicant's family members.[16]

The States' Responses

To the surprise of many observers, the states almost uniformly employed their newfound powers to extend Medicaid, SCHIP, and TANF to pre-enactment immigrants. To the extent that a "race to the bottom" might have been feared, it did not develop through the 1990s. At the same time, though, states have been more reluctant to extend benefits to post-enactment immigrants, with responses varying widely across states (Zimmermann and Tumlin 1999).

The limits of state generosity are evident when the responses of the seven states with the most immigrants are examined. Together, seven large immigrant-receiving states (California, New York, Texas, Florida, Illinois, New Jersey, and Arizona) account for three quarters of the nation's foreign-born population. California is alone among the seven in providing substitutes in the areas of health, cash assistance, and nutrition. Of the other six states, three now offer substitute health programs, but little else. Even the most generous states in the nation, like Massachusetts, condition immigrants' access to substitute programs in ways that reduce their availability and, in some circumstances, would be illegal if applied to citizens.[17]

States' differential treatment of pre- and post-enactment immigrants reflects the fiscal incentives built into PRWORA. Under the current law, the federal governments contributes to state expenditures on pre-enactment immigrants. Expenditures on legal post-enactment

---

[16] See, 8 CFR Parts 212, 237, P.28676 (1999).

immigrants are fully financed with state tax dollars. The patchwork of state responses that has evolved under this financing scheme has meant that noncitizen eligibility for public benefits has been reduced more than citizens' and that noncitizens face wider variation across states in their access to safety net services.

The Courts' Responses

While PRWORA's immigrant restrictions were initially somewhat unstable politically, they have generally fared better in courts, where they have withstood numerous legal challenges. This stability can be traced to their origins in the Congress' *immigration* powers. As a result, the restrictions have been viewed by courts as involving questions of foreign policy and national sovereignty and within the special expertise of the Congress and the Executive.[18] Some constitutional scholars have questioned whether the federal government's immigration powers are delegable to the states — an issue to which we return later (Wishnie 2001)

Legal challenges at the state court level have produced more mixed results. In the most significant legal reversal of PRWORA's immigrant restrictions to date, a New York State Court of Appeals found that PRWORA does not authorize New York State to bar post-enactment immigrants from the state-funded Medicaid program.[19] However, the ruling is based in large part on the New York State Constitution and may be of limited precedential value in other states.

---

[17] The new conditions include deeming and residency requirements; shorter time limits for receipt; and mandates that claimants pursue naturalization.

[18] This treatment is in sharp contrast to cases of alienage discrimination that do *not* raise immigration considerations and are, as a result, subject to higher levels of scrutiny. An example is the new durational residency requirements applied to citizens and noncitizens alike that were introduced by PRWORA. These requirements limited the amount of benefits available to welfare recipients who were new residents of a state to the amount they received in their prior state of residence. These requirements were found to violate the right to travel and struck down by the U.S. Supreme Court (*Saenz v. Roe*, 526 U.S. 489, 1999).

[19] *Aliessa v. Novallo*, 20001 NY Int. 59, June 5, 2001.

Like their federal counterparts, however, the state courts have generally upheld new, PRWORA-derived immigrant restrictions. For example, a Massachusetts court upheld the state's imposition of a six-month residency requirement for the state's immigrant-specific cash assistance program. The court reasoned that the state was under no legal obligation to create this immigrant-only program in the first place and could condition its largesse in ways that were reasonable.[20]

In sum, federal restorations, coupled with generous state eligibility rules, provided pre-1996 immigrants with legal safeguards against many of PRWORA's new immigrant restrictions. However, the rapidly growing population of post-1996 immigrants confronts a patchwork of widely varying state programs, with many states — including some of the largest immigrant-receiving states — offering few benefits. Moreover, it is unclear whether the safety net erected by generous states will remain intact as the economy slows and state revenues fall.

PRWORA's Impact on Immigrant Benefit Use

Early Evidence — "Chilling" Effects

PRWORA's framers clearly succeeded in reducing immigrants' overall use of public benefits. Several early studies found that noncitizen use of public benefits not only declined, but did so at a faster rate than citizens'. Zimmermann and Fix (1998) found that noncitizen use of public benefits in Los Angeles County fell precipitously following welfare reform and was declining at a faster rate than that of citizens. Aggregate national data from the Current Population Survey also documented declines in welfare use for both citizens and noncitizens (Fix and Passel 1999). Overall, the decreases for noncitizens were greater than for citizens. While

[20] The judge in the case noted, "It may indeed be true in life that no good deed goes unpunished, but it need not be a principle of judicial review regarding legislative good deeds." *Jane Doe et al. v. Claire McIntire*, Sup. Ct. of Mass. ,

decreases in use rates for citizens and noncitizens in households *with children* were roughly the same, by 1997, noncitizen families with children were only about two-thirds as likely to be receiving benefits as citizen families.

Subsequent studies, most notably by the Department of Agriculture, confirmed these results, finding that food stamp use among noncitizens fell 72 percent between 1994 and 1998 (Genser 1998). The Department of Agriculture study found that the effects of benefit cuts fell not just on the noncitizens who were the targets of welfare reform, but on the U.S. citizen children who live in their families. Between 1994 and 1998, food stamp use fell by 53 percent among citizen children in immigrant families (i.e., families with a noncitizen parent).

The declines documented in these various studies could not be accounted for by shifts in eligibility because most noncitizens in the studies had arrived before 1996 and retained their eligibility for the programs in question. Rising incomes also fail to explain the degree of change. We have contended that the greater drops in usage among noncitizens are attributable, in part, to welfare reform discouraging some immigrants from using benefits regardless of eligibility. These "chilling effects" likely reflect confusion among immigrants about who is eligible for benefits and fears about the legal consequences of seeking assistance.[21]

New Analyses of Immigrant Program Participation

In the balance of this section, we report the results of our most recent analyses that draw on the Current Population Surveys for March 1995 through 2000.[22] Our principal focus is on

---

2001 Mass. Super. Lexis 153, January 25, 2001.

[21] By this definition, "chilling effects" is simply used to connote steep benefit declines among an eligible population that are not accounted for by denials or by income gains.

[22] Compared with administrative data on caseloads, the March Supplements to the Current Population Survey are known to understate participation. Further, there has apparently been some deterioration in coverage in recent years (Wheaton and Giannarelli 2000). Nonetheless, the CPS data track overall trends in participation fairly well (O'Neill and Hill 2001). In general, our work compares immigrants with natives (or citizens), so that only differential

families of legal noncitizens in comparison with citizen families, but we draw attention to other key groups including refugees, naturalized citizens, and undocumented immigrants.[23]

The analysis reported here differs from our earlier study of declining immigrant participation rates (Fix and Passel 1999) in three critical ways. First, while our earlier analysis differentiated refugee from other immigrant households, we did not distinguish between legal and undocumented immigrants, as we do here. Second, unlike our earlier study, we focus most of our analyses here on families with children whose incomes are below 200 percent of poverty, comparing usage patterns of low-income legal noncitizen families with those of low-income citizen families. These families have substantial practical and policy import where TANF reauthorization is concerned as they are the ones most likely to need and to be eligible for public assistance. (For Medicaid, however, we expand our analysis to focus on individuals in addition to families.) Third, this analysis updates our earlier study by relying on 1995–2000 CPSs *versus* only the 1995–1998 CPSs, thus allowing for two additional years of welfare reform, and importantly, SCHIP implementation.

Overall Declines

We first note that the broad patterns found in the early studies cited above are still apparent. Among families with one or more adult(s) who are legal noncitizens (also referred to

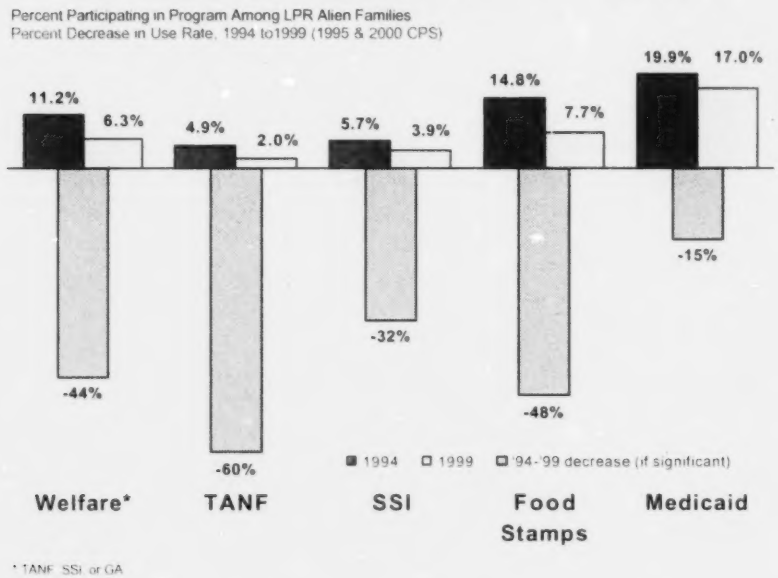
---

changes would affect our conclusions. In that light, work on participation of immigrants in the CPS suggests that this group is much *better* covered in the March 2000 CPS than in earlier years (Passel 2001a). Consequently, the conclusions based on CPS analyses of immigrant-native trends should not be affected by CPS undercoverage of program participation. Note also that the CPS reports population numbers for the year of the survey, but asks about benefit use for the use preceding the survey. Hence, the population and participation figures are for different years.

[23] The analyses employ Urban Institute-generated datasets that correct for over-reporting of naturalized citizens and identify four groups of noncitizens: (1) refugee entrants based on country of birth and year of entry; (2) legal nonimmigrants (i.e., temporary residents) based on occupation, year of entry, and other characteristics; (3) likely undocumented immigrants based on occupation, country of birth, year of entry, age, and state; and (4) legal permanent residents (LPRs). See Passel and Clark (1998) for a description of the assignment methods. Families are classified on the basis of the head and spouse (if present) as undocumented, refugee alien, LPR alien, naturalized citizen, native, and legal nonimmigrant.

as legal permanent resident aliens or LPR aliens), there was a notable decline in noncitizen use of TANF, SSI, food stamps and Medicaid programs from 1994 through 1999. The sharpest decrease occurred in TANF use, with legal noncitizens' participation rate falling from 4.9 percent in 1994 to 2.0 percent in 1999.[24] The drop in Medicaid usage was the least dramatic, at 2.9 percent. (See Figure 1.) Further, the overall declines in participation rates for legal noncitizen families exceeded the declines experienced by citizen families for TANF, SSI, and food stamps, but not Medicaid.

Figure 1. Participation in Means-Tested Benefit Programs for Legal Permanent Resident Alien Families: 1994 and 1999

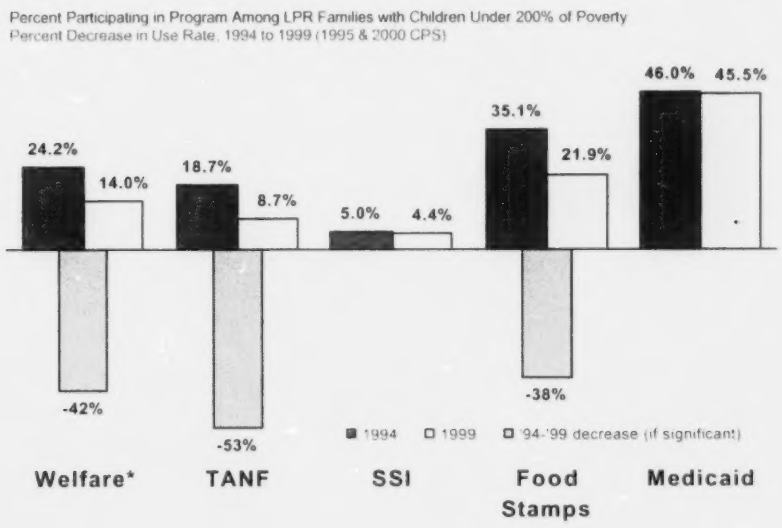


[24] The 60 percent decrease from 1994 to 1999 is computed as the difference in participation rates (2.9 percentage points—4.9 percent in 1994 minus 2.0 percent in 1999) divided by the 1994 participation rate (4.9 percent). We report one decimal place on participation rates and round the percentage decrease to whole percents. We use the terms "participation rate," "usage rate," and "use rate" interchangeably as the number of program participants divided by the population at issue. The terms are not meant to denote eligibility.

Low-Income Families with Children

When we focus on these low-income families with children, a somewhat different picture emerges than for the overall legal noncitizen population. Low-income families with children experienced large declines in TANF and food stamp use between 1994 and 1999, with legal noncitizen families' use of TANF falling 53 percent from 18.7 to 8.7 percent and food stamps 38 percent from 35.1 to 21.9 percent. (See Figure 2.) Participation in Medicaid — 46.0 percent in 1994 and 45.5 percent in 1999 — remained essentially (and statistically) unchanged.

Figure 2. Participation in Means-Tested Benefit Programs for Low-Income Legal Permanent Resident Alien Families with Children: 1994 and 1999

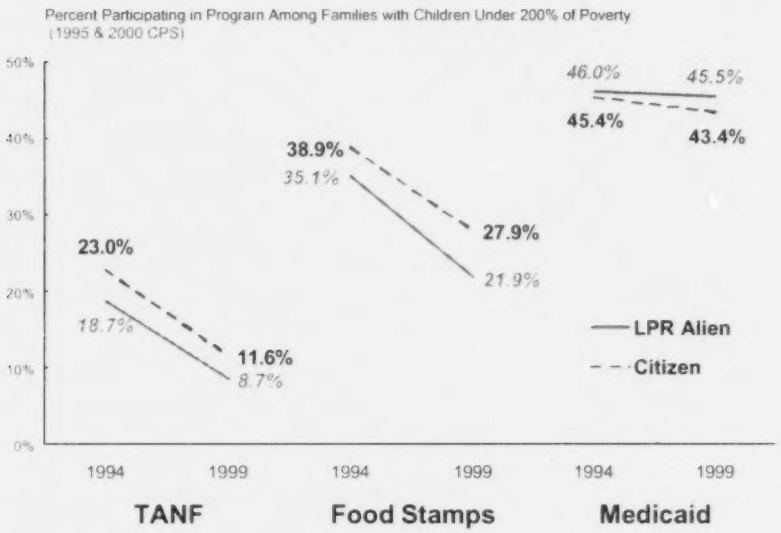


* TANF, SSI, or GA

Declines for these low-income legal immigrant families with children were not significantly different from those experienced by similarly-situated citizen families. Thus, the steep early declines that characterized the immigrant population are now evident for noncitizens and citizens alike. However, we should also note that when we stratify in this way the program

participation rate for low-income legal noncitizen families is substantially lower than citizen benefit use for TANF, SSI, and food stamps; for Medicaid, the use rates are no different. (See Figure 3.) When we use individuals rather than families as the unit of analysis in Medicaid, however, use rates for noncitizens are lower.

Figure 3. Participation in Means-Tested Benefit Programs for Low-Income Legal Permanent Resident Alien and Citizen Families with Children: 1994 and 1999



Mixed Status Families

PRWORA not only reduced benefit use among the noncitizens targeted by reform, it also reduced participation among the U.S.-citizen children who live in immigrant families. The U.S.-citizen children of immigrants are a demographically important group. About one in 10 American children live in a household where one or more of the parents is a noncitizen and one or more of the children is a citizen (Fix and Passel 1999); about three-quarters of all children living in immigrant-headed households are U.S. citizens (Fix and Zimmermann 2001). By law,

children born in the United States to immigrant parents (even undocumented immigrants) qualify for public benefits on the same terms as children of native-born citizens. Yet, our analysis shows that U.S.-born children of immigrants are much less likely than children of native-born citizens to participate in public benefits programs.

Among low-income immigrant[25] families with children who are U.S. citizens, 7.8 percent received TANF in 1999 compared with 11.6 percent of low-income citizen families with children. Similarly, the mixed-status immigrant families are considerably less likely to receive food stamps than citizen families — 19.8 percent versus 27.9 percent. For both programs, the mixed-status families experienced significant declines in participation from 1994 to 1999. Medicaid is again an exception as the two groups of mixed status, low-income families did not experience a decline in usage and ended in 1999 with participation rates essentially equal to the citizen families — 42.7 versus 43.4 percent.

Refugees

Sharp declines in the use of public benefits have not been confined to legal permanent residents, they are also visible among refugees. Again, focusing on families with children and incomes under 200 percent of poverty, we see extraordinarily large decreases in participation among refugees[26] from 1994 to 1999: food stamps, -53 percent; TANF, -78 percent; and Medicaid, -36 percent. Before PWRORA, participation rates for low-income refugee families with children were much higher than the rates for either citizen or LPR alien families. For some

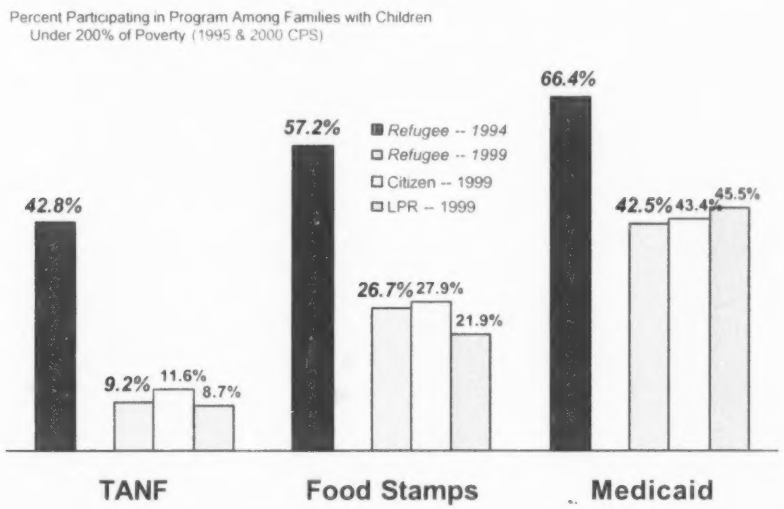
---

[25] We include here LPR aliens and undocumented aliens because the eligibility of their U.S.-born children is not affected by the status of the parents.

[26] We use the term "refugees" to refer to noncitizens who were admitted as refugees (in 1980 or later) without regard to their current immigration status or eligibility status. Almost all of the refugees adjust their legal status to legal permanent resident alien after one or two years in the country, but they retain their special access to benefits. In our refugee population, many have been in the United States longer than the period during which refugee arrivals have special access. (Persons admitted as refugees but who have acquired U.S. citizenship by naturalization are included in our citizen population.)

programs, refugee participation rates were more than double those for LPR families. By 1999, the rates for refugee families had fallen to roughly the same level as those of citizens for TANF, food stamps, and Medicaid. (See Figure 4.) These results are especially striking because refugees are a protected population under PRWORA, as they are exempted for five to seven years from the law's bars on federal means-tested public benefits.

Figure 4. Participation in Means-Tested Benefit Programs for Low-Income Families with Children: Refugee Aliens — 1994 and 1999; Citizens and LPR Aliens — 1999



Change in TANF Caseloads and the Recipient Population

What have these changes in benefit use meant for the composition of the recipient population between 1994 and 1999? Changes in both immigrant and citizen benefit usage between 1994 and 1999 have led to a large overall drop in families receiving TANF benefits. These remaining families may prove to be difficult to move off TANF, especially if they face

barriers to work such as limited English language ability or low educational levels (Zimmermann and Tumlin 2001).

During this period, the CPS shows a drop of 55 percent in the number of all families receiving TANF benefits from 4.0 to 1.8 million (Table 1). Among immigrants, two groups experienced extremely large decreases in recipients: LPR families dropped by 216,000 or 62 percent and refugee alien families fell by 97,000 or 76 percent. At the same time, the number of naturalized citizen families on TANF increased by 24,000 or 45 percent. The number of undocumented families remained essentially unchanged.

As a result of these shifts, the composition of the immigrant population remaining on TANF has been substantially altered since the passage of welfare reform. Naturalized citizens accounted for 9 percent of foreign-born recipient families in 1994 but 25 percent in 1999 (Table 1). The share of immigrant TANF recipients in LPR and refugee alien families dropped from 80 to 53 percent; as a share of *all* recipient families, these two groups dropped from 12 to 9 percent. PRWORA seems to have succeeded in reducing both the number and share of legal immigrants on welfare.

To some degree, the changes in composition of immigrant TANF recipients reflect underlying dynamics in the immigrant population itself, but the large reductions in use have occurred in spite of substantial increases in some components of the immigrant population. Overall, the foreign-born population grew by 16 percent from 24.5 million in the 1995 CPS to 28.4 million in the 2000 CPS.[27] But the growth differed substantially across the different legal

[27] The results of Census 2000 have created considerable uncertainty about the size of the foreign-born population and, more specifically, the undocumented immigrant population. The March 2000 CPS which shows 28.4 million immigrants is based on the 1990 Census. The total population from Census 2000, 281.4 million, exceeded pre-census estimates by 5–7 million with much of the excess thought to be unmeasured immigration (Passel, 2001). When the March 2000 CPS is re-weighted to agree with the results of Census 2000, it shows 30.1 million immigrants. Another survey, the Census 2000 Supplementary Survey, taken during 2000 with a sample size

status categories. The number of naturalized citizen families increased by 28 percent from 5.2 million to 6.7 million and now represent over one-third of all immigrant families (Table 1).

When new legal immigrants enter the country, they become part of the LPR alien population; when they naturalize, however, they depart the LPR alien population. In recent years, the number of new LPRs has been insufficient to replace those shifting into the naturalized citizen category. As a result, the number of LPR alien families actually decreased by 400,000 or 6 percent to 6.6 million in the 2000 CPS. In sum, shifts in the make-up of the immigrant TANF population are the products of: (1) increases in the number of naturalized citizens; (2) a slight increase in the rate of benefit use by naturalized citizens; and (3) declines in benefit use among noncitizens. These compositional changes are also driven by the fact that additions to the number of naturalized citizens come from the population of legal noncitizens, reducing its size.

The remaining two categories of immigrants—refugees and undocumented immigrants—show demographic changes that are dramatically at odds with the TANF use patterns. The number of refugee alien families increased by 13 percent between the March 1995 and March 2000 CPSs in contrast to the 76 percent drop in refugee families on TANF. For undocumented immigrants, the number of families increased by 1.2 million or 41 percent over the five-year period as a result of both a substantial influx of undocumented immigrants and better coverage of the group in the 2000 CPS. Notwithstanding this very large increase in the undocumented population, the number of undocumented families on TANF (i.e., receiving benefits for their citizen children) remained essentially unchanged over the period as a result of substantially decreased usage.

---

14 times larger than the March 2000 CPS, showed an even larger foreign-born population of 30.5 million. Almost all of the difference in the various measures of the foreign-born population can be attributed to the number of undocumented immigrants estimated to be represented in the different surveys (Passel 2001a).

Medicaid Use and Health Insurance

Medicaid Participation of Families. Changes in Medicaid and SCHIP[28] participation follow quite different trajectories from the other programs. Overall decreases in family Medicaid/SCHIP participation are smaller than for the other programs. Moreover, among low-income families with children there was virtually no change in Medicaid use between 1994 and 1999 for either citizens or LPR aliens (e.g., Figure 2). In addition, use of Medicaid among low-income LPR and refugee families with children was virtually identical to the use rates for equivalent citizen families.

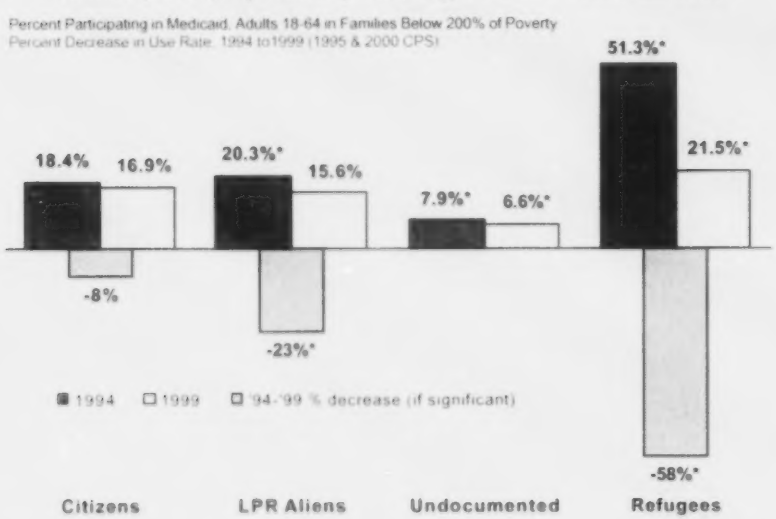
There are a number of policy-related explanations for these stable Medicaid use rates among low-income immigrant families with children. These include the introduction of expanded health care coverage under SCHIP, stepped up state and local outreach for child health insurance, and the impact of new federal guidance clarifying that use of health benefits would not be a bar to obtaining a "green card" or citizenship. In addition, Medicaid providers (doctors, hospitals, and clinics) have incentives to keep both immigrants and natives enrolled in government health programs to ensure the payment of medical bills. Other welfare programs do not have third parties who have such direct incentives to make sure low-income families are signed up for welfare benefits. Another possible explanation for the fact that Medicaid did not decline among noncitizens may be increased use of emergency Medicaid by legal immigrant family members.

[28] The CPS data on Medicaid are based mainly on individual responses to questions on health insurance, but also include imputations based on other items (e.g., TANF recipients are assigned to Medicaid). In part because of the data collection methods, CPS groups Medicaid, emergency Medicaid, state Medicaid-like programs and supplemental programs, and SCHIP together. The data reported in this paper thus cover Medicaid, emergency Medicaid, and SCHIP.

Individual Medicaid Participation and Lack of Health Insurance. Health care services are qualitatively different from the other benefits in that they can be delivered directly to the individual in ways that TANF, SSI, and food stamps cannot. Health insurance can only be used by the individual beneficiary; cash and food stamps are fungible and can provide a benefit for the whole family. Accordingly, we focus our Medicaid/SCHIP analysis on individuals, examining use patterns among low-income working-age individuals (18–64 years) and children (under 18 years). With this view, a clearer picture of welfare reform's overall effects on immigrants' benefit usage emerges. In particular, the generally high and sustained levels of participation observed for low-income *families* are not found for individuals.

Among low-income working-age adults, Medicaid use declined significantly between 1994 and 1999 for citizens (18.4 to 16.9 percent), LPR aliens (20.3 to 15.6 percent), and refugee aliens (51.3 to 21.5 percent). (See Figure 5.) In a departure from the pattern for families, the

Figure 5. Participation in Medicaid for Low-Income Working-Age Adults (18-64), by Nativity and Legal Status: 1994 and 1999



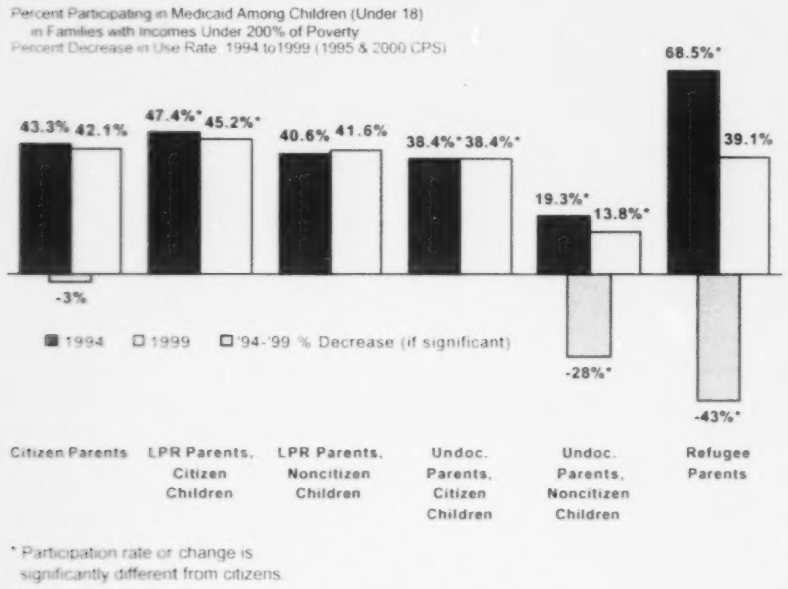
* Participation rate or change is significantly different from citizens.

decreases experienced by low-income LPR and refugee adults of working age were greater than for citizens

These declines in Medicaid participation did not occur because former recipients acquired other forms of health insurance. In fact, the declines in Medicaid participation were offset almost entirely by increases in the proportion of the population without health insurance — 1.1 percentage points for citizens, 4.5 for LPRs, and 16.2 for refugees. Thus, the reductions in Medicaid use are not being made up by other forms of health insurance, but rather are leading to the total loss of health insurance. Further, notwithstanding equal or higher rates of participation in Medicaid among immigrants, every immigrant group has substantially higher proportions of low-income working-age adults who were uninsured in 1999 than do U.S. citizens. Among citizens, 31.6 percent of working-age adults were uninsured in 1999 compared with 56.3 percent of legal permanent residents, 68.0 percent of undocumented immigrants, and 44.6 percent of refugees.

Children in low-income families have much higher rates of participation in Medicaid than working-age adults. Of children in low-income U.S. citizen families, 42 percent were participating in Medicaid in 1999, a very slight decline from 43 percent in 1994. (See Figure 6.) Children in low-income LPR alien families showed no significant decrease from 1994 to 1999, and had about the same degree of participation as children in citizen families regardless of their own citizenship (45.2 percent for U.S. citizen children and 41.6 percent for noncitizen children). Children of refugees, however, experienced a large decrease in Medicaid participation over the period from a level well above that of citizens in 1994 (69 percent) to roughly the same level in 1999 (39 percent).

Figure 6. Participation in Medicaid for Low-Income Children (under 18), by Nativity and Status of Parents and Children: 1994 and 1999

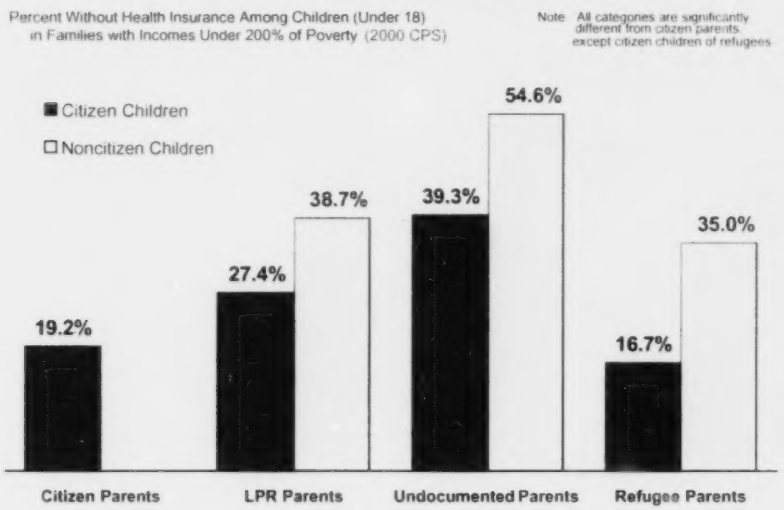


* Participation rate or change is significantly different from citizens.

Not surprisingly, given the steady, high levels of Medicaid participation, uninsurance rates for low-income children changed very little between 1994 and 1999. However, the levels of uninsurance are much higher for children of immigrants than for children of citizens. Less than 20 percent of low-income children of U.S. citizens were uninsured in 1994 and 1999 (Figure 7). The U.S. citizen children of LPRs and undocumented immigrants experienced high uninsurance rates of 27.4 and 39.3 percent, respectively, in 1999. The situation of noncitizen children was even worse as the noncitizen children for each immigrant group had even greater rates of uninsurance.

BEST COPY AVAILABLE

Figure 7. Health Insurance Coverage for Low-Income Children (under 18), by Status of Parents and Children: 1999



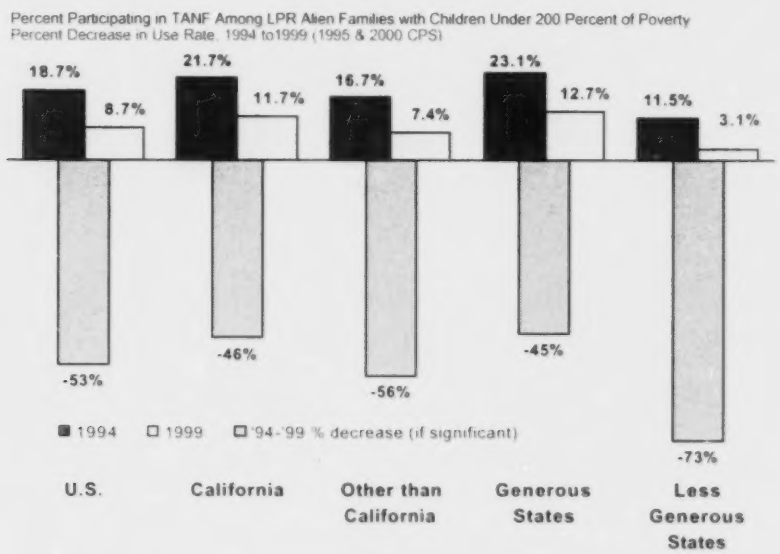
State Level Changes

The large declines in participation noted among legal immigrants and refugees are evident not just for the nation as a whole, but can generally be found in all parts of the country. Figure 8 shows TANF decreases for low-income LPR families for several groups of states. Substantial decreases occurred both in California (46 percent decrease) and outside of California (56 percent decrease). Most striking, however, is the decrease that occurred in states that the Urban Institute has identified as being among the least generous in providing benefits to immigrants[29] (Zimmermann and Tumlin 1999; Passel and Zimmermann 2001). In this group of states, TANF participation by low-income LPR families with children dropped 73 percent

[29] In their analysis of state policies determining immigrant eligibility for public benefits Zimmermann and Tumlin (1999) group the fifty states into four categories: those where benefits are "most available," "somewhat available," "less available," and "least available." For our purposes the less generous states are those that fall into

compared with the 45 percent decline in the other, more generous states. The larger percentage drop occurred despite initial participation rates in these less generous states being only about half the initial rate in the more generous states — 11.5 percent participation in 1994 compared with 23.1 percent for the more generous states. (See Figure 8.) Thus, immigrant participation levels across states widened following welfare reform.

Figure 8. Participation in TANF for Low-Income Legal Permanent Resident Alien Families with Children: U.S., California, and Selected Groups of States, 1994 and 1999



While benefit use rates have been falling sharply within these less generous states, their immigrant populations have been growing rapidly. Throughout the United States, the number of foreign-born families with children rose by 15 percent nationwide between 1995 and 2000. In the less generous states, they increased by 31 percent, but in the more generous states, they rose

---

the "less" and "least available" categories and the more generous states are those where benefits are "most" or "somewhat available."

by only 7 percent. In California, which offers legal immigrants one of the most generous packages of public benefits, the number of foreign-born families grew by only 2 percent during this period.

These differential growth patterns are the result of two demographic trends. First, more immigrant families moved out of the more generous states into less generous states than vice versa. Second, the percentage of newly-arrived immigrants from abroad settling in the less generous states increased during the late 1990s, notwithstanding the states' more limited generosity. (See Passel and Zimmermann 2001 for an exploration of these patterns.) Taken together, these eligibility and migration trends call into question the theory underlying PRWORA's Title IV that welfare benefits play a large role in determining where immigrants choose to live.

Rapid growth in immigrant populations outside the traditional receiving communities may produce strains on state and local governments, particularly in the areas of education and health. These strains may even be felt by states in comparatively strong economic shape. Further, these new settlement patterns lead to questions about the potential effects of a recession and a tightening labor market on these noncitizen families, many of whom might find themselves excluded from increasingly localized safety nets.

Explaining the Trends in Immigrant Program Participation

How do we explain these steep declines in public benefit use among noncitizens? To what extent are they attributable to increased naturalization and the transformation of noncitizen benefit users into citizen benefit users? To rising incomes among immigrant families? To behavioral shifts among noncitizens — i.e., that result from legal exclusions or to a reduced propensity to participate in benefits programs?

Naturalization Rates and Benefits Use

Between 1994 and 1999 there was a substantial increase in the number of naturalized citizen families in the United States. Underlying the rapid increase is the demographic fact that 2. 7 million immigrants acquired legal immigrant status around 1990 under the 1986 Immigration Reform and Control Act and thus became eligible to naturalize in the mid-1990s. In addition, rates of naturalization increased, but not just because of new, policy-driven incentives to acquire citizenship set in motion by welfare reform. The increases also resulted from reactions to California's Proposition 187 (which barred illegal immigrants from public schools and other public benefits) and to limits on noncitizens' procedural rights embedded in the 1996 illegal immigration reform law.

The rise in naturalizations was accompanied by a proportionately greater increase in the number of naturalized families receiving some means-tested benefits, and a concomitant increase in the rate of benefits receipt in these programs. For SSI, the number of naturalized citizen families receiving benefits increased from 133,000 in 1994 to 298,000 in 1999; the rate of SSI use by naturalized citizen families increased by 75 percent (from 2.5 percent to 4.5 percent). Medicaid showed a more modest increase in use rates of 28 percent (from 8.1 percent to 10.4 percent). The changes in TANF and food stamp participation by naturalized citizens were not statistically significant.

Notwithstanding the increases in usage by naturalized citizen families, the share of the naturalized population receiving benefits remains relatively modest and the increases account for a small fraction of the reductions in usage among legal noncitizens. The CPS reports that while the number of families containing a naturalized citizen grew by 1.5 million between 1994 and

1999, the number of such families participating in welfare programs[30] rose by only 170,000. At the same time, the number of legal immigrant[31] families on welfare programs dropped by 480,000. Thus, while retention of benefits may be a factor motivating naturalization, it falls well short of offsetting decreases in usage among noncitizens.

The shift of individuals out of the legal alien categories through naturalization appears to play almost no role in the decreasing TANF use among legal immigrants. While the number of naturalized citizen families with children increased by 480,000 between 1994 and 1999, the number participating in TANF rose by only 16,000.[32] In contrast, the number of legal immigrant families receiving TANF dropped by 300,000.

Similar patterns can be seen in California, which experienced a sharp rise in naturalizations between 1994 and 1999. The CPS shows that the number of families with a naturalized citizen adult rose by over 60 percent (from 1.2 million to 1.9 million) during the period — more than three times the national rate (18 percent). While program participation rates for California's naturalized citizen families appear to be higher in 1999 than in 1994 for all programs, the measured changes are not statistically significant. Here, too, the increase in naturalized citizen families receiving welfare — 72,000 — is much smaller than declines in legal noncitizen families' participation — 238,000.

These trends in California and the United States suggest that, while an interest in retaining access to public benefits may have played a role in some naturalizations, their dramatic

---

[30] Defined as TANF, SSI or General Assistance (GA).

[31] Because the naturalized citizen population includes both refugee and LPR entrants, the legal noncitizen population for the comparisons here combines refugee aliens and LPR aliens.

[32] An alternative assumption might be that the use rate among naturalized citizen families might have decreased at the same rate as among native or noncitizen families. Compared with this alternative, the "additional" participation by naturalized citizen families in 1999 would be 40,000 — a figure still well short of the drop in TANF participation among legal noncitizen families.

increase was not broadly driven by the goal of retaining benefits. Moreover, the results indicate that naturalization rates did *not* vitiate the substantial declines in immigrants' benefit use that occurred in the wake of PRWORA, as some commentators have claimed (Borjas 2001).

Income Changes

If naturalizations account for at most a small part of the sharp decline in legal noncitizen use of public benefits, do increased incomes explain it? Nationwide, the share of foreign-born families with children whose incomes are below 200 percent of poverty fell by 5 percentage points between 1994 and 1999. While this drop, which amounted to a 10 percent decrease in the proportion with low incomes, could explain a drop in participation, it is unlikely to account for the much larger decreases in participation shown in Figure 1. The parallel declines in citizen participation noted earlier are mirrored by a 5 percentage point drop in low-income families among natives. Nonetheless, by 1999, at the peak of the nation's boom economy, 50 percent of all foreign-born families with children had incomes below 200 percent of the federal poverty line[33] versus 35 percent of citizen families.

We have already noted that overall participation rates drop faster among LPRs than citizens, while differences in rates of decline between *low-income* citizen and LPR families are not significant. Thus, differences and changes in income composition between LPR families and citizen families must play a role in affecting the overall trends, but how much? The demographic technique called standardization offers a means of answering such questions.

Standardization techniques permit the analyst to partition the change in a rate over time or the difference in rates between two populations into portions due to various factors (Das

[33] The share of foreign-born families with children with incomes below the poverty line falls to 42 percent when families with an undocumented adult are excluded.

Gupta 1993). The method enables us to apportion differences in two groups' usage rates to differences in group income,[34] differences in family structure,[35] and differences in a group's propensity to participate in a benefit program.

When we partition the changes in overall participation rates for the various means-tested programs for each of the citizen and noncitizen groups, it becomes starkly apparent that PRWORA succeed in changing usage patterns, and presumably behavior, for all of the groups. For TANF and food stamps, only about one-quarter of the reduction in the participation rates for *both citizens and LPR families* is explained by changes in income between 1994 and 1999 (Table 2); an insignificant amount of the reduction -- about 10 percent -- is attributable to changes in family composition. Remarkably, however, about two-thirds of the reduction between 1994 and 1999 for LPR families and citizen families is attributable to changes in their propensity to participate in the programs.

Behavioral changes show up for other groups and other programs as well. For LPR aliens, the reduction in SSI use, albeit small, is largely (about two-thirds) due to a reduction in the propensity to use SSI rather than income improvements (Table 2). For natives, there was no significant change in use from 1994 to 1999, but the propensity of native families to use SSI actually increased while income improvements led to an offsetting reduction in use. Refugee families experienced both larger reductions in participation rates than the other groups and larger increases in incomes. For refugees, too, however, the largest factor accounting for the usage decreases was the propensity to use the programs followed by income increases.

---

[34] For income, families are grouped according to (non-welfare) income relative to the federal poverty level in 8 categories: <50% of the federal poverty level, 50–74%, 75–99%, 100–124%, 125–149%, 150–174%, 175–199%, and 200% and above.

[35] Families are grouped into 5 exhaustive categories for family composition: (1) couples (married or unmarried partners) with children; (2) female-headed families with children; (3) other families with children; (4) couples without children; and (5) all other families without children.

The Medicaid program is, again, quite different from the others when we examine the factors behind the change, or lack thereof, between 1994 and 1999. Income increases play a principal role here as three-quarters of the overall LPR reduction in participation and virtually all of the citizen reduction is attributable to income factors (Table 2). The share due to change in usage patterns is not statistically significant for either group. Therefore, we conclude on the basis of this analysis, too, that there was no change in the propensity of legal immigrants and citizens to use Medicaid.

Citizen-LPR Differences in Program Participation

Which group is more likely to participate in means-tested programs, LPR alien families or citizen families? Superficially, it appears that LPRs are more likely to participate because their overall use rates are higher. However, when we take into account the differences in income and family structure between the two groups, a quite different picture emerges.

In fact, the principal factor explaining differences in participation is income. Because LPR families have lower incomes than citizen families, the overall participation rate in TANF, food stamps, and Medicaid for LPR alien families is higher than the rate for citizen families. However, the different income distributions account for *more* than the entire difference between the groups for TANF, SSI, and food stamps. (See Table 3.) On the other hand, differences in the propensity to participate in the programs leads to *lower* participation rates in 1999 on the part of LPR alien families for TANF, SSI, and food stamps. Family structure differences play a much smaller, and generally insignificant, role.

Medicaid is again slightly different. Income differences remain important factor, but account for only two-thirds of the difference in LPR and citizen family use rates. Family structure makes more of a difference here than in any other case, accounting for about

one-quarter of the LPR-citizen difference. The propensity to use Medicaid is not significantly different between the two groups and accounts for about 10 percent of the difference.

The analysis of participation rates subdivided by income and family distributions paints a clear picture of the factors leading to differences between citizen families and LPR alien families. The overall participation rates for LPR alien families are higher almost entirely because the aliens have lower incomes than citizens. In fact, if the two groups had the same income distributions and the same distributions by family type, then the LPR alien families would actually have slightly *lower* overall participation rates than citizens in TANF, SSI, and food stamps.

CONSIDERING REFORM

Welfare reform's devolution of immigrant policy to the states has led to a widening divide in both the generosity of state benefits and immigrants' participation levels in safety net programs. The new divisions emerge at a time of rapid migration to states with the least, rather than the most, generous safety nets. These migration patterns raise doubts about the continuing power of the welfare magnet — the theory on which the PRWORA's immigrant restrictions were at least partially based, and upon which they have been defended in the courts as elements of the nation's *immigration* not *welfare* policies. They also raise concerns that many immigrants will find themselves in places with extremely porous local safety nets in a recessionary period.

If the upcoming reauthorization of welfare reform directly addresses the law's impacts on immigrant populations, it seems likely that the debate will begin by revisiting the restoration of benefits to both pre- and post-enactment immigrants. Proposals that continue to await action include the following:

Restoring food stamps to working-age adults in the United States at the time of the law's enactment and to the families of post-enactment immigrants. Unlike the other means-tested federal programs, food stamps remain barred to working-age, *pre-enactment* immigrants who had no notice of the bars at the time they became legal permanent residents. As a result of the restrictions' wide scope, we have seen steep declines in immigrant use of food stamps. Our analyses indicate that these declines are not, for the most part, accounted for by increases in income. Like declines in other benefit programs, their effects have been felt by refugees and by citizen children — populations largely protected by the law. Further, the restrictions' continuing impacts take place against the backdrop of high levels of disadvantage among the children of immigrants. According to the 1999 National Survey of American Families (NSAF), children of immigrants are substantially more likely than children of natives to live in families that worried about, or encountered difficulties affording food — 37 percent versus 27 percent (Capps 2001).

Granting states the same right to elect to provide post-enactment immigrants with Medicaid and SCHIP that the states have been granted for pre-enactment immigrants. Welfare reform's restrictions on Medicaid and SCHIP represented a particularly sharp departure from prior policy. Unlike other means-tested federal programs, Medicaid was extended to legal immigrants from the date of their receipt of legal status, whereas the other programs were deemed for 3 to 5 years, essentially requiring that immigrants had to wait that long after admission to receive benefits. Our individual-level analysis of immigrants' use of Medicaid benefits in the wake of welfare reform indicates that noncitizens' use declined faster than citizens' and that noncitizen use rates in 1999 were lower than those of citizens. The analysis also shows that immigrants who left Medicaid did not do so because they found private insurance. Rather, they became uninsured once they lost Medicaid coverage.

Again, these developments take place against a backdrop of comparative disadvantage for immigrant populations. According to NSAF, 22 percent of immigrant children versus 10 percent of native children are uninsured (Capps 2001). The impacts of uninsurance on children are well-documented — including fewer doctor visits and increased use of high-cost emergency health care — and can lead to long-term health problems for individuals and greater tax burdens for communities.

Providing immigrants admitted after 1996 with SSI eligibility if they should become disabled after entry. Finally, the restoration of SSI to post-enactment immigrants who become disabled after their entry to the United States would provide benefits to individuals whose disabling conditions were clearly unanticipated at the time of entry immigration and who may find it difficult — if not impossible — to naturalize. Proposals advanced at the close of the Clinton Administration would have extended SSI benefits to post-enactment immigrants who had lived in the United States for 5 years.

Key Design Issues. All of these proposals to restore or expand benefits also raise a number of common, fundamental policy-design issues that may be debated at the time of reauthorization. One is the merit of continuing to use citizenship, rather than legal residence, to ration access to important public benefits. It could be argued that legal immigrants, like citizens, are compelled to pay taxes, serve in the military in dangerous times, obey all laws, and are subject to the vicissitudes of the market. Making safety net and work-support services contingent on naturalization creates incentives to naturalize that depart from loyalty and other nation-building goals. Further, to the extent that benefit restrictions are intended to affect the flow of incoming legal immigrants, it is arguably more efficient to introduce the desired criteria

directly into admissions standards — that is, to use the "front door" of immigration policy rather than the "back door" of immigrant policy to alter the characteristics of the immigrant stream.

Second, proposals to restore benefits to noncitizen families raise the important, if difficult, issue of how immigrant support obligations should be shared between sponsors and the government. Following PRWORA's enactment, the current system shifts the full burden onto sponsors. Does it go too far? The central issues raised are: (1) whether sponsor deeming and liability should be limited to a specific number of years and (2) whether sponsor deeming should be extended beyond cash transfer programs to health insurance. With regard to the former, it could be argued that the current law effectively extends the sponsor's support obligation until an immigrant attains citizenship, creating, in effect, a potentially open-ended liability for the sponsor. With regard to the second issue, we would note here that Australia and Britain introduced new sponsor-deeming requirements at the same time the U.S. did, but excluded health insurance from sponsor obligations (Fix and Laglagaron 2001).

Third, welfare reform has gone some distance toward remaking the welfare system into an engine of mobility rather than an agent of dependence. Yet working, low-income noncitizens are excluded, both from the safety net and from such work supports as health insurance, job training, and transportation subsidies. The successful adaptation of immigrants and the integration of immigrants and their children into American society are cherished American ideals and, arguably, are or should be the goals of immigrant and immigration policy. The exclusion of legal immigrant families from the reformed welfare system runs directly counter to this desired outcome.

Finally, immigration is increasingly an essential feature of national competitiveness in a global economic system where nations vie for talented immigrants. Determination of policies

related to immigration, like trade, are appropriately within the purview of the federal government. In upholding PRWORA's immigrant restrictions, the courts have said that states are making congressionally-authorized choices in immigration — not welfare — policy. We suggest that in this global era, it does not make sense to shift the power to determine the incentives for entry and content of citizenship from the national government to the states.

REFERENCES

Borjas, George, J. 2001. "Welfare Reform and Immigration." In Blank, Rebecca and Ron Haskins (eds.), *The New World of Welfare*. Washington, DC: The Brookings Institute.

Borjas, George J. and Lynette Hilton. 1995. "Immigration and the Welfare State: Immigrant Participation in Means Tested Entitlement Programs." Cambridge, MA: National Bureau of Economic Research.

Capps, Randy. 2001. "Hardship among Children of Immigrants: Findings from the 1999 National Survey of America's Families." Washington, DC: The Urban Institute. *Assessing the New Federalism Policy Brief* Series B, No. B-29.

Congressional Budget Office. 1997. *Federal Budgetary Implications of The Personal Responsibility and Work Opportunity Reconciliation Act of 1996*. Washington, DC. December.

Das Gupta, Prithwis. 1993. *Standardization and Decomposition of Rates: A User's Manual*. Current Population Reports, Series P23-186. Washington, DC: U.S. Bureau of the Census.

Duleep, Harriet Orcutt and Mark Regets. 1994. "The Elusive Concept of Immigrant Quality." Discussion Paper PRIP-UI-28, Program for Research on Immigration Policy. Washington, DC: The Urban Institute.

Fix, Michael and Laureen Laglagaron. 2001. "Report of the Working Group on Social Rights and Citizenship." In Alienikoff, T. Alexander and Douglas Klusmeyer (eds.), *Citizenship Policies for an Age of Migration*. Washington, DC: The Carnegie Endowment for International Peace. Forthcoming, winter 2002.

Fix, Michael and Jeffrey S. Passel. 1994. *Immigration and Immigrants: Setting the Record Straight*. Washington, D.C.: The Urban Institute.

Fix, Michael and Jeffrey S. Passel. 1999. "Trends in Citizens' and Noncitizens' Use of Public Benefits Following Welfare Reform, 1994–1997." Washington, DC: The Urban Institute.

Fix, Michael and Wendy Zimmermann. 2001. "All Under One Roof, Mixed Status Families in an Era of Reform." *International Migration Review* 35 (134, Summer).

Genser, Jenny. 1998. "Who is Leaving the Food Stamp Program: An Analysis of Caseload Changes from 1994 to 1997." Office of Analysis, Nutrition and Evaluation, The Food and Nutrition Service. Washington, DC: U.S. Department of Agriculture.

Gingrich, Newt and Richard Armey. 1994. *Contract With America*. New York City: Times Books, Random House.

O'Neill, June E. and M. Anne Hill. 2001. "Gaining Ground? Measuring the Impact of Welfare Reform on Welfare and Work." *Civic Report* No. 17. New York: Center for Civic Innovation, Manhattan Institute for Policy Research.

Passel, Jeffrey S. 2001. "An Evaluation of Demographic Analysis in Census 2000." In *Final Report of the Census 2000 Monitoring Board, President Members*. Washington, DC.

Passel, Jeffrey S. 2002. "Estimates of Undocumented Immigrants Living in the United States." Washington, DC: The Urban Institute (forthcoming)

Passel, Jeffrey S. and Rebecca L. Clark. 1998. "Immigrants in New York: Their Legal Status, Incomes, and Taxes." Washington, DC: The Urban Institute.

Passel, Jeffrey S. and Wendy Zimmermann. 2001. "Are Immigrants Leaving California? Settlement Patterns of Immigrants in the Late 1990s." Washington D.C.: The Urban Institute.

Van Hook, Jennifer, Jennifer E. Glick and Frank D. Bean. 1999. "Public Assistance Receipt Among Immigrants and Natives: How the Unit of Analysis Affects Research Findings." *Demography* 36 (1): 111-20.

Wheaton, Laura and Linda Giannarelli. 2000. "Coverage of Social Benefit Programs in the Current Population Survey." Paper presented at the annual meetings of the American Statistical Association. August.

Wishnie, Michael. 2001. "Laboratories of Bigotry? Devolution of the Immigration Power, Equal Protection and Federalism." 76 New York University Law Review. 493.

Zimmermann, Wendy and Michael Fix. 1998. "Declining Immigrant Applications for Medi-Cal and Welfare Benefits in Los Angeles County." Washington, DC: The Urban Institute.

Zimmermann, Wendy and Karen C. Tumlin. 1999. *Patchwork Policies: State Assistance for Immigrants Under Welfare Reform. Assessing the New Federalism* Occasional Paper No. 24. Washington, DC: The Urban Institute.

Zimmermann, Wendy and Karen C. Tumlin. 2001. "What Does *Work First* Mean for Immigrants on TANF in New York, Los Angeles, and Houston?" Paper presented at the annual meeting of the Association for Public Policy and Management. Washington, DC: The Urban Institute. November.

Table 1. Number of Families and Families Receiving TANF, by Citizenship of Head and Spouse: 1994 and 1999

Status of Family Head/Spouse	Families (in thousands)				Percent Distribution			
			'94-'99 Change		Of Total		Of Foreign-Born	
	1994	1999	Amt.	Pct.	1994	1999	1994	1999
Families Receiving TANF								
Total	**4,041**	**1,835**	**-2,206**	**-55%**	**100**	**100**	**(x)**	**(x)**
Citizen	3,502	1,607	-1,895	-54%	87	88	(x)	(x)
Native	3,450	1,531	-1,918	-56%	85	83	(x)	(x)
Naturalized	52	76	24	45%	1	4	9	25
Noncitizen	411	197	-213	-52%	10	11	70	65
Legal	347	132	-216	-62%	9	7	59	43
Undocumented	63	66	2	4%	2	4	11	22
Refugee Alien	127	30	-97	-76%	3	2	21	10
All Families								
Total	**132,000**	**138,813**	**6,812**	**5%**	**100**	**100**	**(x)**	**(x)**
Citizen	120,828	126,591	5,763	5%	92	91	(x)	(x)
Native	115,585	119,889	4,304	4%	88	86	(x)	(x)
Naturalized	5,243	6,702	1,459	28%	4	5	32	35
Noncitizen	9,927	10,734	807	8%	8	8	60	57
Legal	7,019	6,626	-394	-6%	5	5	43	35
Undocumented	2,908	4,108	1,201	41%	2	3	18	22
Refugee Alien	846	952	106	13%	1	1	5	5

(x) — not applicable.

Source: Urban Institute tabulations from March 1995 and 2000 Current Population Surveys with immigration status imputed using methods based on Passel and Clark (1998).

Note: "Refugee Alien" represents persons admitted as refugees since 1980 who have not become naturalized citizens regardless of current status. "Legal" includes all persons who are not citizens and who were admitted as legal permanent residents (LPR) except those admitted as refugees. "Legal Nonimmigrants" or "Legal Temporary Residents" are persons with valid entry visas who are considered U.S. residents, such as foreign students, intracompany transfers, or H-1B "hi-tech" guest workers; to the extent that such persons are in the CPS, they appear in the totals but are not shown separately.

Table 2. Partition of 1994-1999 Change in Use of Welfare, Food Stamps, and Medicaid into Effects of Poverty-Family-Specific Use Rates, Poverty Distribution, and Presence of Children Distribution, Using Standardization Techniques for Families in the United States: By Nativity and Status

Program and Group	Percent of Families Participating in Program			Amount of Change in Participation Due to ...			Percent of Change Due to ...		
	1994	1999	'94-'99 Change	Use Rates	Poverty Distrib.	Family Distrib.	Use Rates	Poverty Distrib.	Family Distrib.
By Nativity and Legal Status									
Citizen									
Welfare[1]	6.5	4.8	-1.7 *	-0.8 *	-0.8 *	-0.1	45	47	8
TANF	2.9	1.3	-1.6 *	-1.1 *	-0.4 *	-0.2 *	68	22	10
SSI	3.4	3.4	0.0	0.4 *	-0.4 *	0.0	--	--	--
Food Stamps	9.0	5.5	-3.5 *	-2.3 *	-0.9 *	-0.2	68	27	6
Medicaid	11.6	10.4	-1.2 *	0.2	-1.2 *	-0.3	-21	98	23
LPR Alien									
Welfare[1]	11.2	6.3	-4.9 *	-3.1 *	-1.5 *	-0.4	63	30	7
TANF	4.9	2.0	-3.0 *	-1.8 *	-0.7	-0.4	62	24	14
SSI	5.7	3.8	-1.9 *	-1.2 *	-0.7	0.1	66	37	-3
Food Stamps	14.8	7.7	-7.1 *	-5.0 *	-1.6 *	-0.5	70	22	7
Medicaid	19.9	17.0	-2.9 *	-0.3	-2.1 *	-0.4	12	74	14
Undocumented Alien									
Welfare[1]	2.7	2.5	-0.2	-0.3	0.0	0.1	--	--	--
TANF	2.2	1.6	-0.6	-0.6	0.0	0.0	--	--	--
SSI	0.2	0.3	0.0	0.0	0.0	0.0	--	--	--
Food Stamps	8.3	5.9	-2.3 *	-2.1 *	-0.3	0.1	89	13	-2
Medicaid	13.2	12.9	-0.3	0.1	-0.6	0.3	--	--	--
Refugee Alien									
Welfare[1]	29.6	14.4	-15.1 *	-7.5 *	-7.0 *	-0.5	50	47	4
TANF	15.0	3.2	-11.8 *	-5.2 *	-4.1 *	-2.5	44	35	21
SSI	13.4	9.2	-4.2	-2.7	-3.1	1.6	--	--	--
Food Stamps	38.0	17.2	-20.8 *	-12.9 *	-6.7 *	-1.3	62	32	6
Medicaid	40.7	23.1	-17.6 *	-8.9 *	-7.4 *	-1.3	51	42	8

(continued)

Table 2. Partition of 1994-1999 Change in Use of Welfare, Food Stamps, and Medicaid into Effects of Poverty-Family-Specific Use Rates, Poverty Distribution, and Presence of Children Distribution, Using Standardization Techniques for Families in the United States: By Nativity and Status

Program and Group	Percent of Families Participating in Program			Amount of Change in Participation Due to ...			Percent of Change Due to ...		
	1994	1999	'94-'99 Change	Use Rates	Poverty Distrib.	Family Distrib.	Use Rates	Poverty Distrib.	Family Distrib.
				(continued)					
				By Program					
Welfare[1]									
Citizen	6.5	4.8	-1.7 *	-0.8 *	-0.8 *	-0.1	45	47	8
LPR Alien	11.2	6.3	-4.9 *	-3.1 *	-1.5 *	-0.4	63	30	7
Undocumented	2.7	2.5	-0.2	-0.3	0.0	0.1	--	--	--
Refugee	29.6	14.4	-15.1 *	-7.5 *	-7.0 *	-0.5	50	47	4
TANF									
Citizen	2.9	1.3	-1.6 *	-1.1 *	-0.4 *	-0.2 *	68	22	10
LPR Alien	4.9	2.0	-3.0 *	-1.8 *	-0.7	-0.4	62	24	14
Undocumented	2.2	1.6	-0.6	-0.6	0.0	0.0	--	--	--
Refugee	15.0	3.2	-11.8 *	-5.2 *	-4.1 *	-2.5	44	35	21
SSI									
Citizen	3.4	3.4	0.0	0.4 *	-0.4 *	0.0	--	--	--
LPR Alien	5.7	3.8	-1.9 *	-1.2 *	-0.7	0.1	66	37	-3
Undocumented	0.2	0.3	0.0	0.0	0.0	0.0	--	--	--
Refugee	13.4	9.2	-4.2	-2.7	-3.1	1.6	--	--	--
Food Stamps									
Citizen	9.0	5.5	-3.5 *	-2.3 *	-0.9 *	-0.2	68	27	6
LPR Alien	14.8	7.7	-7.1 *	-5.0 *	-1.6 *	-0.5	70	22	7
Undocumented	8.3	5.9	-2.3 *	-2.1 *	-0.3	0.1	89	13	-2
Refugee	38.0	17.2	-20.8 *	-12.9 *	-6.7 *	-1.3	62	32	6
Medicaid									
Citizen	11.6	10.4	-1.2 *	0.2	-1.2 *	-0.3	-21	98	23
LPR Alien	19.9	17.0	-2.9 *	-0.3	-2.1 *	-0.4	12	74	14
Undocumented	13.2	12.9	-0.3	0.1	-0.6	0.3	--	--	--
Refugee	40.7	23.1	-17.6 *	-8.9 *	-7.4 *	-1.3	51	42	8

* Significant at $p < 0.10$

-- Total change not significant, so distribution not computed.

[1] Welfare receipt is defined as receipt of Temporary Assistance for Needy Families, Aid to Families with Dependent Children, Supplemental Security Income, ***or*** General Assistance.

Source: Urban Institute tabulations from March 1995 and 2000 Current Population Surveys with immigration status imputed with methods based on Passel and Clark (1998). See text for description of partition methods and definitions of categories of immigrants, poverty, and family status.

Table 3. Partition of Citizen-LPR Difference in Use of Welfare, Food Stamps, and Medicaid into Effects of Poverty-Family-Specific Use Rates, Poverty Distribution, and Presence of Children Distribution, Using Standardization Techniques for Families in the United States: 1994, 1999

Program and Date	Percent of Families Participating in Program			Amount of Difference in Participation Due to ...			Percent of Difference Due to ...		
	Citizen	LPR Alien	Diff.	Use Rates	Poverty Distrib.	Family Distrib.	Use Rates	Poverty Distrib.	Family Distrib.
By Year									
1999									
Welfare[1]	4.8	6.3	1.5 *	-1.1 *	2.4 *	0.2	-77	164	13
TANF	1.3	2.0	0.7 *	-0.3	0.8 *	0.2	-35	109	26
SSI	3.4	3.8	0.4	-1.2 *	1.6 *	0.0	--	--	--
Food Stamps	5.5	7.7	2.2 *	-0.8 *	2.6 *	0.4	-36	118	18
Medicaid	10.4	17.0	6.5 *	0.7	4.3 *	1.5 *	10	67	23
1994									
Welfare[1]	6.5	11.2	4.7 *	0.2	4.1 *	0.4	4	87	9
TANF	2.9	4.9	2.0 *	-0.5	2.0 *	0.6	-26	98	27
SSI	3.4	5.7	2.3 *	0.4	2.0 *	-0.1	19	86	-5
Food Stamps	9.0	14.8	5.9 *	0.3	4.8 *	0.7	5	82	12
Medicaid	11.6	19.9	8.2 *	1.3 *	5.5 *	1.5 *	15	67	18
By Progam									
Welfare[1]									
1999	4.8	6.3	1.5 *	-1.1 *	2.4 *	0.2	-77	164	13
1994	6.5	11.2	4.7 *	0.2	4.1 *	0.4	4	87	9
TANF									
1999	1.3	2.0	0.7 *	-0.3	0.8 *	0.2	-35	109	26
1994	2.9	4.9	2.0 *	-0.5	2.0 *	0.6	-26	98	27
SSI									
1999	3.4	3.8	0.4	-1.2 *	1.6 *	0.0	--	--	--
1994	3.4	5.7	2.3 *	0.4	2.0 *	-0.1	19	86	-5
Food Stamps									
1999	5.5	7.7	2.2 *	-0.8 *	2.6 *	0.4	-36	118	18
1994	9.0	14.8	5.9 *	0.3	4.8 *	0.7	5	82	12
Medicaid									
1999	10.4	17.0	6.5 *	0.7	4.3 *	1.5 *	10	67	23
1994	11.6	19.9	8.2 *	1.3 *	5.5 *	1.5 *	15	67	18

* Significant at $p < 0.10$

-- Total change not significant, so distribution not computed.

[1] Welfare receipt is defined as receipt of Temporary Assistance for Needy Families, Aid to Families with Dependent Children, Supplemental Security Income, ***or*** General Assistance.

Source: Urban Institute tabulations from March 1995 and 2000 Current Population Surveys with immigration status imputed with methods based on Passel and Clark (1998). See text for description of partition methods and definitions of categories of immigrants, poverty, and family status.